(a) whether Government have ensured that the tax concessions and duty reliefs given to SEZs are WTO compliant; if so, the details thereof; and

(b) what steps are being taken to ensure that the SEZs achieve their export objectives, without violating the norms set by WTO?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Yes Sir. The concessions offered in the Special Economic Zones (SEZs) are WTO compliant and these include duty free import/domestic procurement of goods for development, operation and maintenance, 100% Income Tax exemption on export income for first 5 years, 50% for next 5 years thereafter & 50% of the ploughed back export profit for next 5 years, exemption from minimum alternate tax under section 115JB of the Income Tax Act, external commercial borrowing by SEZ units up to US $ 500 million in a year without any maturity restriction through recognized banking channels, exemption from Central Sales Tax, exemption from Service Tax, exemption from State sales tax and other levies as extended by the respective State Governments. The concessions available to SEZ developers include exemption from customs/excise duties for development of SEZs, Income Tax exemption on export income for a block of 10 years in 15 years, exemption from minimum alternate tax, exemption from dividend distribution tax, exemption from Central Sales Tax and exemption from Service.

(b) As per the SEZ Rules 2006, the units in SEZ are required to achieve Positive Net Foreign Exchange to be calculated cumulatively for a period of five years from the commencement of production and this ensures their export orientation.

Revival of sick industries

1506. SHRI GIREESH KUMAR SANGHI:
SHRI SANTOSH BAGRODIA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have made any assessment of the industrial sickness prevalent in the existing industrial estates in the country;

(b) if so, what steps are being taken to revive such industrial estates;

(c) whether Government propose to give these estates similar tax concessions and infrastructure facilities as SESs;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) to (e) The Government of India enacted a special legislation namely, the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). The main objective of SICA is to determine sickness and the revival of potentially viable units or closure of unviable units. SICA applies to companies both in public and private sectors. The Board for Industrial and Financial Reconstruction (BIFR), set up under the provision of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) considers revival of sick industrial units registered with the Board.

Besides providing a policy regime that facilitates and fosters growth and development of industries, steps taken for revival of sick industrial units, *inter-alia,* include setting up of Board for Industrial and Financial Reconstruction (BIFR) and issue of guidelines by Reserve Bank of India to banks for financial support and amalgamation of sick units with healthy units. Wherever feasible, rehabilitation schemes are sanctioned for the revival of the units registered with the BIFR which, *inter-alia,* include restructuring of the capital, induction of fresh funds by the promoters, Government assistance for public sector units, merger with other companies, relief and concessions in the form of rescheduling of dues by Financial Institutions, banks and Government and change of management.

FDI in higher education

1507. SHRI B.K. HARIPRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether sensing the keenness of many foreign universities in setting-up shops in India for imparting higher education, Government are planning to open up the higher education sector to 100 percent FDI;

(b) whether Government would attempt to arrive at a consensus by debating the issue with all the stake holders, like universities and Ministry of HRD, and the acadernicia; and